GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:170
ANSWERED ON:29.11.2002
CONTRACT FARMING IN TOBACCO SECTOR
KINJARAPU YERRANNAIDU

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have any proposal to introduce contract farming in tobacco sector;

(b) if so, the details thereof;

(c) whether the Tobacco farmers are opposing the Government`s above move and are in favour of retaining the present production and auction system;

(d) whether any representations in this regard has been received;

(e) if so, the details thereof; and

(f) the reaction of the Government thereto?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN SHOURIE)

(a) to (f): There have been suggestions in passing from certain quarters that contract farming, on a limited scale, particularly where foreign direct investment is concerned, could be allowed in the Flue Cured Virginia (FCV) Tobacco sector.The Tobacco Growers` Association have urged, however, that the present system be continued. At present, Government do not propose to change this system.